In the High Court of Judicature at Madras

Dated : 20.8.2019

Coram :

The Honourable Mr.Justice T.S.SIVAGNANAM
and
The Honourable Mrs.Justice V.BHAVANI SUBBAROYAN

Tax Case Appeal No.28 of 2011

Commissioner of Income Tax,
Central-I, Chennai ...Appellant/Appellant

Vs

Smt.Malliga Jayachandran ...Respondent/Respondent

APPEAL under Section 260A of the Income Tax Act, 1961 against the order dated 23.4.2010 made in ITA.No.1138/Mds/2009 on the file of the Income Tax Appellate Tribunal, Chennai 'A' Bench for the assessment year 2006-07, against the order dated 15/04/2019 of the Commissioner of Income Tax(A) in ITA.No.106/2008-09 for the Assessment year 2006-07, and as against the order dated 23/06/2008 of the Assistant Commissioner of Income Tax, Chennai in PAN.No.AHJPM0712B, and as against the order dated 31/12/2007, of the Assistant Commissioner of Income Tax, Chennai, for the assessment year 2006-07.

For Appellant : Mr.T.R.Senthilkumar,
SSC assisted by
Ms.K.G.Usharani, SC

For Respondent: Ms.Sri Lakshmi Valli

Judgment was delivered by T.S.Sivagnanam,J

We have heard Mr.T.R.Senthilkumar, learned Senior Standing Counsel assisted by Ms.K.G.Usharani, learned Standing Counsel appearing for the appellant - Revenue and Ms.Sri Lakshmi Valli, learned counsel appearing for the respondent - assessee.

2. This appeal, filed by the Revenue under Section 260A of the Income Tax Act, 1961 is directed against the order dated 23.4.2010 made in ITA.No. 1138/Mds/2009 on the file of the

Income Tax Appellate Tribunal, Chennai 'A' Bench for the assessment year 2006-07.

3. The appeal was admitted on 06.4.2011 on the following substantial question of law :

> "Whether, on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in confirming the order of the Commissioner of Income Tax (Appeals) deleting the penalty of Rs.4,96,494/- under Section 271(1)(c) in respect of the additional income of Rs.14,75,025/- representing the value of unexplained jewellery found and seized at the time of search merely on the ground that the assessee agreed for the addition and by stating that the addition was made on estimate basis ?"

4. The learned Senior Standing Counsel for the appellant submits that the above appeal is not pursued by the Revenue on account of the low tax effect in terms of Circular No.17/2019 dated 08.8.2019 issued by the Central Board of Direct Taxes. By the said Circular, the monetary limit for filing or pursuing an appeal before the High Court has been increased to Rs.1 Crore. It is further submitted that the tax effect in this case is less than the threshold limit.

5. In the light of the said submissions, the above tax case appeal is dismissed on account of the low tax effect. The substantial question of law framed is left open. In the event the tax effect is above the threshold limit fixed in the said circular, liberty is granted to the Revenue to make a mention to this Court to restore the appeal to be heard and decided on merits. No costs.

Sd/-
Assistant Registrar

//True Copy//

Sub Assistant Registrar

To

1.The Income Tax Appellate Tribunal,
Chennai 'A' Bench.

2.The Commissioner of Income Tax(A)-I,
Chennai.

3.The Assistant Commissioner of Income Tax,
Central Circle I(2), Chennai -34.

+1 cc to M/s.G.Baskar,Advocate Sr.No. 71038
+1 cc to Mr.T.R.Senthil Kumar, Advocate Sr.No.70996

AKM/24.10.19/3P-6C /

TCA.No.28 of 2011